

the apportionment and expenditure of highway funds be abolished; that the State Highway Commission be composed of a chairman and four commissioners from the State at large, and that the commission be authorized to establish such administrative districts as shall be necessary. I recommend that laws be enacted providing that future highway construction and reconstruction may be based upon a complete and composite state system developed on the basis of highway transport and traffic surveys, and that highway funds should be under the same general budgetary supervision as all other public funds.

PRISONS AND PRISONERS

The conclusion is inescapable that an organic economic relationship exists between highways, roads, and prisoners in North Carolina, and that this relationship ought to be unified and integrated. In the present biennium the state prison has incurred a deficit of upward of \$370,000, due in large measure to the fact that it has been necessary to maintain many able-bodied prisoners for long periods of idleness.

Last March I appointed a commission to investigate and report upon the general prison problem in this State. After conducting an exhaustive study of our present system of penal administration and prison facilities, the commission filed its report, which has been made available to you. I am in accord with its general recommendations, and cannot impress upon you too firmly the desirability of placing our prison administration on a sound economic basis. We need, first, a proper parole agency to supervise paroled prisoners; second, a modern plant to take the place of the unsafe, costly, unsanitary, and wholly inadequate central prison; and, third, a practical plan of utilizing state and county prisons in developing and maintaining our road program.